

GENERAL OFFICE
Box 2040
TULSA 2, OKLA.

AMERADA PETROLEUM CORPORATION
Box 668
HOBBS, NEW MEXICO.
December 27, 1962

✓ New Mexico Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico

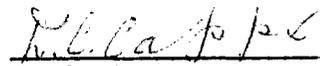
Re: Application of Amerada Petroleum Corporation
for administrative approval of zone comingling
of production on its State D"C" Lease,
Lea County, New Mexico.

Gentlemen:

By letter of application dated November 16, 1962 Amerada Petroleum Corporation
asked for administrative approval for zone comingling of production on its
State D"C" Lease located in Sec.19-T21S-R37E, Lea County, New Mexico.

Since the filing of subject application, approval from the State Commissioner
of Public Lands has been obtained and three copies of the approval are
attached.

Yours very truly,


D. C. Capps
District Superintendent

AES;br

cc; New Mexico Oil Conservation Commission
P.O. Box 2045
Hobbs, New Mexico

File

AMERADA PETROLEUM CORPORATION

P. O. BOX 2010

TIKSA 2, OKLAHOMA

November 8, 1962

Re: Proposed Commingling of Oil
Lot 2 and SW/4 NW/4
Section 19-21S-37E
(Eunice Field)
Lea County, New Mexico
State Lease B-1040

Commissioner of Public Lands
State Land Office
Santa Fe, New Mexico

Dear Sir:

Amerada is now drilling State D "C" Well No. 1 in the approximate center SW/4 NW/4 Section 19-21S-37E, with the objective of carrying this well to an approximate total depth of 6700 feet. In the event multi-pay production is encountered, we respectfully request your approval to commingle oil produced sour crude into common well crude lease storage and all produced gas to be commingled into common well crude lease storage.

Further, we are considering the feasibility of utilizing storage facilities on our L. G. Warlick property adjacent on the East. In the event this appears economically practical, we would use well meters to measure gas production from the State D "C" Well and move it to the Warlick storage by laying a flow line to the storage facilities from which it would be run by the pipe line company. As we said, we are still considering the practicability of handling the State D "C" production in this manner, but we hereby respectfully request your approval to our doing so should we determine that it will be more economical to lay a flow line to the Warlick storage rather than erect a tank battery on the State D "C" property.

Assuming our plans as outlined above will meet with your approval, please acknowledge by signing the attached copy of this letter in the space provided, and return the approved copy in the stamped envelope which is enclosed.

Very truly yours,

O. W. Badley

O. W. Badley
Land Department

OWB/lo
att.

cc: Mr. J. L. Lynch
Mr. E. J. Christie
Mr. J. W. Halsey
Mr. Floyd Kepler
Mr. H. F. Sewell

The above request approved this 26th
day of November, 1962.

E. A. Walker
The Commissioner of Public Lands,
State of New Mexico

11-21-62 - Xerox copy to Mr. Sewell and J copies to Mr. Capps.

GENERAL OFFICE
Box 2040
TULSA 2, OKLA.

10-120

AMERADA PETROLEUM CORPORATION
Box 668
HOBBS, NEW MEXICO

November 16, 1962

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application of Amerada Petroleum Corporation
for administrative approval of zone
commingling of production by the
subtraction method on its State DC lease
described as the S/2 of NW/4, Sec. 19 -
T21S - R37E, Lea County, New Mexico.

Gentlemen:

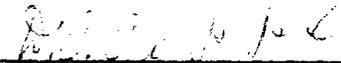
Amerada Petroleum Corporation is the owner and operator of the 80 acre State DC lease described as the S/2 of NW/4 Sec. 19 - T21S - R37E, Lea County, New Mexico. Applicant proposes zone commingling of production by the subtraction method from the various pools underlying subject lease, as outlined below:

1. Four oil productive zones, the Penrose-Skelly (Grayburg), Paddock, Blinebry and Drinkard are productive, however, due to the nature of the crudes, a sour oil battery and a sweet oil battery will be necessary.
2. The lease should ultimately have two completions in each of the above mentioned zones. Assuming top allowable from all completions, daily production into the sweet oil battery will be 100 barrels of 39 oil from the Blinebry Zone and 132 barrels of 40.7 from the Drinkard Zone with a total non-commingled value of \$696.32. The commingled product will have a gravity of 40.1 and a value of \$698.32. Actual value of the commingled product will be \$2.00 per day greater than the non-commingled crudes.
3. Daily production into the sour crude battery will be 74 barrels of 37 oil from the Penrose-Skelly Zone and 100 barrels of 36 oil from the Paddock Zone with a total non-commingled value of \$494.64. The commingled product will have a gravity of 36.4 and a value of \$492.42. Actual value of the commingled product will be \$2.22 per day less than the non-commingled crudes.

4. The economic advantage of commingling in the above described manner lies in equipment installation.
5. A plat showing the location and producing zone of current and proposed lease wells along with a schematic diagram of the proposed installation are attached. Approval from the State Commissioner of Public Lands is being obtained and will be furnished as soon as it is received.

Applicant requests that administrative approval be given the above matter at the earliest date possible.

Yours very truly,



D. C. Capps
District Superintendent

AES:br

cc: Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

Mr. R. S. Christie
T. W. Lynch
H. A. Nedom
J. O. Hathaway
J. R. Enloe
J. E. Newkirk
C. R. Andrist
A. J. Troop
B. A. Moore
File

R 36 E

R 37 E

Cont'l 1 ● E		Tidewater 13 1 ● E 2 ● E Marshall Penrose 1 ● E		Tidewater 18 1 ● E Gulf Penrose 2 ● E 1 ● PS 3 ● E 4 ● PS 1 ● PS o/son-Blount 1 ● PS Ohio 1 ● PS		Texaco 5 ● PS 3 ● D 4 ● E-PS 1 ● D 2 ● B-T Weatherly Dixilyn Drly 1 ● PS-BG 1 ● E-PS 2 ● D 1 ● T-D 4 ● D Penrose 1 ● BG-D Lockhart 2 ● D		Pech Oil 1 ● D Sun 3 ● D Weatherly 2 ● D Tidewater 2 ● T-D 1 ● D Hardy		Cont'l 17 4 ● T-D 3 ● B-D 2 ● E-D Lockhart	
Lockhart		Marshall Gulf 24 1 ● E Leonard		Penrose 19 1 ● E-BG		Rodman 1 ● D 1 ● PS 5 ● BG 3 ● D 2 ● D		Sinc. 20 2 ● T-D		Amerada 2 & Rodman 4 ● E-PS 1 ● D 1 ● BG-D	
Gulf 2 ● PS 1 ● E Mattern		Gulf 1 ● E 2 ● D-B PanAm "CK" 1 ● P-D Eunice Unit		Amerada 1 ● D Warlick Amerada Warlick "A" Perry 3 ● PS 1 ● PS 5 ● P-B 4 ● P 2 ● B-D		Sunray 1 ● D Randle 5 ● BG-D 3 ● PS-D 4 ● PS-P 1 ● PS 2 ● P-D		Randle "A" 1 ● D Ohio 3 ● D 1 ● PS 2 ● D Hardy 2 ● PS 3 ● D 4 ● D 1 ● PS 5 ● BG		York 1 ● BG-D	
Gulf 25 2 ● E 1 ● A Ramsey St. B		Texaco 30 4 ● E 5 ● PS-P 2 ● B 6 ● P-BG-D 3 ● D		Henderson Gulf 13 ● PS 1 ● PS 8 ● B		Mobil 2 ● PS 3 ● B 6 ● P-D 1 ● PS 4 ● PS 5 ● D		Hardy Sinclair 2 ● PS-D 1 ● PS-BG 1 ● T-D Linam Sunray 2 ● PS-D 1 ● D		29 1 ● PS-BG 1 ● T-D	
Sinclair 3 ● A 1 ● E 2 ● A 4 ● E Brownlee		El Paso 10 ● E Brownlee		Moore 1 ● PS Brownlee		Mattern "B" 11 ● PS 5 ● E-PS 4 ● PS 6 ● D		Hardy Sinclair 1 ● D 2 ● PS 3 ● T-D W. Turner Sinclair 2 ● PS 1 ● PS 4 ● D 3 ● BG-D		Hardy Ohio 2 ● D 1 ● D 1 ● D 3 ● BG-T Turner Pan Am 2 ● D 1 ● E-D 3 ● BG-T Turner	

T 21 S

AMERADA PETROLEUM CORP

1 INCH = 2000 FT.

- E - Eumont
- A - Arrowhead
- PS - Penrose Skelly
- P - Paddock
- B - Blinbry Oil
- BG - Blinbry Gas
- T - Tubb
- D - Drinkard

FIELD West Eunice Area
 STATE New Mexico
 COUNTY Lea